

## Message Text

UNCLASSIFIED

PAGE 01 TOKYO 07530 071124Z

44

ACTION EA-14

INFO OCT-01 EUR-25 ISO-00 IO-14 IGA-02 AID-20 CIAE-00

COME-00 EB-11 FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00

XMB-07 OPIC-12 SP-03 CIEP-02 LAB-06 SIL-01 OMB-01

DODE-00 PM-07 H-03 L-03 NSC-07 PA-04 PRS-01 SS-20

USIA-15 DRC-01 /193 W

----- 066952

R 070935Z JUN 74

FM AMEMBASSY TOKYO

TO SECSTATE WASHDC 2465

INFO USMISSION OECD PARIS

UNCLAS TOKYO 7530

PASS AID

E.O. 11652: N/A

TAGS: EAID, JA

SUBJECT: JAPAN'S FINANCIAL FLOWS TO DEVELOPING COUNTRIES IN 1973

SUMMARY: FINAL FIGURES INDICATE JAPAN'S TOTAL FLOWS TO LDC'S IN 1973 ROSE TO \$5,844.2 MILLION OR 1.42 PERCENT OF GNP. INCREASE OVER 1972, IN DOLLAR TERMS, WAS 114.4 PERCENT, AND RESULTED LARGELY FROM RAPIDLY INCREASING DIRECT PRIVATE INVESTMENT. ODA ON NET DISBURSEMENT BASIS ROSE TO \$1,011 MILLION, OR 0.25 PERCENT OF GNP. ODA COMMITMENTS ALSO INCREASED, BY 34 PERCENT, TO \$1,364.5 MILLION. END SUMMARY.

1. EMBASSY HAS RECEIVED FROM FONOFF COPY OF GOJ MEMORANDUM TO OECD-DAC PREPARED FOR ANNUAL AID REVIEW, AS WELL AS STATISTIC RELEASED TO JAPAN PRESS. THIS MESSAGE, BASED ON THOSE DOCUMENTS, FORWARDS HIGHLIGHTS OF JAPAN'S FINANCIAL FLOWS TO DEVELOPING COUNTRIES DURING 1973. WHERE AVAILABLE, YEN AMOUNTS AND PERCENTAGE CHANGES IN YEN (RATHER THAN DOLLARS) OVER ARE 1972 PRESENTED IN PARENTHESES. EXCHANGE UNCLASSIFIED

UNCLASSIFIED

PAGE 02 TOKYO 07530 071124Z

RATES USED ARE: 1972, YEN 308 EQUAL \$1; 1973, YEN 272.84

EQUAL \$1.

2. TOTAL FINANCIAL FLOWS (DISBURSEMENTS) AMOUNTED TO \$5,844.2 MILLION, AN INCREASE OF 114.4 PERCENT OVER THE 1972 FIGURE OF \$2,725.4 MILLION. THE RATIO OF TOTAL FLOWS TO GNP REACHED 1.42 PERCENT, UP FROM 0.93 PERCENT. MAIN FACTOR IN THIS INCREASE WAS SURGING DIRECT OVERSEAS INVESTMENTS.

3. OFFICIAL DEVELOPMENT ASSISTANCE ON A NET DISBURSEMENT BASIS AMOUNTED TO \$1,011 MILLION (YEN 275.8 BILLION), UP 65.7 PERCENT (46.7 PERCENT) OVER THE 1972 FIGURE OF \$611.1 MILLION (YEN 188.2 BILLION).

A. BILATERAL OFFICIAL GRANTS INCREASED BY 29 PERCENT (14 PERCENT) TO \$220.1 MILLION (YEN 60 BILLION) FROM THE PREVIOUS YEAR'S \$170.6 MILLION (YEN 52.6 BILLION). GRANTS FOR DEVELOPMENT PROGRAMS, FOOD AID, AND EMERGENCY RELIEF DECREASED, BUT GRANTS FOR TECHNICAL ASSISTANCE, REPARATIONS, AND OTHER PURPOSES ROSE. (OTHER PURPOSES INCLUDES GRANTS TO THE USG PURSUANT TO THE AGREEMENT BETWEEN USG AND GOJ CONCERNING TRUST TERRITORY OF PACIFIC ISLANDS.)

B. BILATERAL OFFICIAL LOANS INCREASED BY 77 PERCENT (57 PERCENT) IN 1973 TO \$545.1 MILLION (YEN 148.7 BILLION) FROM THE PRECEDING YEAR'S \$307.2 MILLION (YEN 94.6 BILLION). BY AGENCIES, OECF LOANS INCREASED 32 PERCENT TO \$301.0 MILLION; EX-IM LOANS (INCLUDING DEBT RELIEF) ROSE 148 PERCENT TO \$152.3 MILLION; AND JAPANESE GOVERNMENT CREDITS ROSE 413 PERCENT TO \$91.9 MILLION.

C. GRANTS TO UN AGENCIES AND OTHER MULTILATERAL INSTITUTIONS ROSE BY 37 PERCENT (22 PERCENT) FROM PREVIOUS YEAR'S \$16.5 MILLION (YEN 5.1 BILLION) TO \$22.6 MILLION (YEN 6.2 BILLION).

D. SUBSCRIPTIONS AND CONTRIBUTIONS TO INTERNATIONAL DEVELOPMENT FINANCE INSTITUTIONS ROSE 102 PERCENT (79 PERCENT) FROM \$106.2 MILLION (YEN 32.7 BILLION)

UNCLASSIFIED

PAGE 03 TOKYO 07530 071124Z

IN 1972 TO \$214.1 MILLION (YEN 58.4 BILLION). MAIN FACTOR HERE WAS \$150 MILLION IN PAYMENTS TO ADB, WHICH OFFSET SMALLER PAYMENT TO IDA THIRD REPLENISHMENT.

E. CONCESSIONAL LOANS TO MULTILATERAL DEVELOPMENT FINANCE INSTITUTIONS (ON A NET DISBURSEMENTS BASIS) DECREASED SOMEWHAT TO \$9.1 MILLION (YEN 2.5 BILLION) FROM \$10.5 MILLION (YEN 3.2 BILLION) IN 1972.

4. OTHER OFFICIAL FLOWS INCREASED TO \$1,178.9 MILLION FROM 1972 LEVEL OF \$856.4 MILLION: EXPORT CREDITS (MORE THAN ONE YEAR) FELL FROM \$266.3 MILLION TO \$254.0 MILLION. FINANCING FOR DIRECT INVESTMENTS ROSE FROM \$264.7 MILLION TO \$569.8 MILLION. LOANS TO INTERNATIONAL AGENCIES INCREASED FROM \$325.4 MILLION TO \$355.1 MILLION.

5. PRIVATE SECTOR FLOWS INCREASED FROM \$1,257.9 MILLION TO \$3,654.3 MILLION. EXPORT CREDITS (MORE THAN ONE YEAR) ROSE FROM \$190.6 MILLION TO \$440.1 MILLION. DIRECT INVESTMENTS ROSE FROM \$844.3 MILLION TO \$3,072.1 MILLION. LOANS TO INTERNATIONAL AGENCIES DECREASED FROM \$217.4 MILLION TO \$135.3 MILLION. GRANTS BY NON-PROFIT INSTITUTIONS ROSE FROM \$5.6 MILLION TO \$6.8 MILLION.

6. ODA COMMITMENTS IN 1973 INCREASED 34 PERCENT (19 PERCENT) TO \$1,364.5 MILLION (YEN 372.9 BILLION), UP FROM \$1,018.7 MILLION (YEN 313.8 BILLION).  
SHOESMITH

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** GNP, ECONOMIC ASSISTANCE, CAPITAL FLOWS, ANNUAL REPORTS, GRANTS, LOANS, FINANCIAL CONTRIBUTIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 07 JUN 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974TOKYO07530  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D740145-0257  
**From:** TOKYO  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740663/aaaaccaa.tel  
**Line Count:** 136  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EA  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** martinjw  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 26 AUG 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <26 AUG 2002 by PhilliR0>; APPROVED <08 JAN 2003 by martinjw>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** JAPAN'S FINANCIAL FLOWS TO DEVELOPING COUNTRIES IN 1973 SUMMARY: FINAL FIGURES INDICATE JAPAN'S TOTAL FLOWS TO LDC'S  
**TAGS:** EAID, JA  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005